

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2008-270-W - ORDER NO. 2009-69
FEBRUARY 17, 2009

IN RE:	Application of Water Head, LLC for)	ORDER WAIVING
	Acquisition of Water System at Gauley Falls)	PENALTIES UNLESS
	Subdivision, Pickens County, and for)	SALE IS NOT
	Expansion of Service Area)	COMPLETED

This matter comes to the attention of the Public Service Commission of South Carolina (“Commission”) by way of a letter filed by the Office of Regulatory Staff (“ORS”) on January 2, 2009, concerning penalties owed by Water Head, LLC (“Water Head” or the “Company”) under the terms of a settlement agreement between these parties, and a request by Water Head filed the same date seeking to amend that settlement agreement to waive the imposition of the monetary penalty. The penalties are set forth in Order No. 2008-727 dated November 6, 2008 and result from a delay in filing a performance bond.¹ However, the Company is currently in negotiations for the sale and transfer of its water system and hopes to complete negotiations in the near future. ORS states that this sale is in the best interest of Water Head’s customers, and the penalties owed by the Company may hinder transfer of the system. ORS further maintains that the transfer of the system to a viable entity possessing an adequate performance bond is the

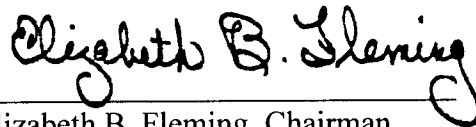
¹ In Order No. 2009-24 (January 20, 2009), the Commission recently granted an extension of time of 45 days for the Company to comply with its bonding requirements.

goal of ORS, and it believes that this goal may best be accomplished through an agreement to waive the penalties.

As a result of this current information, we hold that the penalties are waived upon completion of the sale and transfer of the Company's water system with the caveat that these penalties will remain in effect if the sale is not completed.

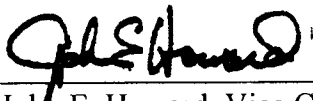
This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



Elizabeth B. Fleming, Chairman

ATTEST:



John E. Howard, Vice Chairman

(SEAL)